

MINUTES

**WARRICK COUNTY COMMISSIONERS
AREA PLAN COMMISSION
BOARD OF ZONING APPEALS**

Special meeting to be held in Commissioners Meeting Room,
Third Floor, Historic Court House,
Boonville, IN
Tuesday, February 12, 2019, 1:00 PM

PLEDGE OF ALLEGIANCE: A moment of silence was held followed by the Pledge of Allegiance.

MEMBERS PRESENT:

Area Plan Commission Board; Jeff Valiant, Jeff Willis, Amanda Mosiman, Bill Byers, Richard Reid, Robert Johnson.

Board of Zoning Appeals: Jeff Valiant, Chairman, Jeff Willis, Doris Horn, Mike Winge, Paul Keller, and Terry Dayvolt.

County Commissioners: Dan Saylor, Robert Johnson.

Mrs. Rector stated we have a quorum of all Boards.

Also present were Morrie Doll, Attorney, Sherri Rector, Executive Director, and Molly Barnhill, Assistant Director.

**INFORMATION TO CONSIDER AMENDING THE WARRICK COUNTY
COMPREHENSIVE PLAN**

Jordan Aigner said thankyou for inviting us and allowing us to have all of the Boards here. He said this is a continuation of a meeting that he attended a few weeks ago before the Planning Commission.

Attorney Doll said it was their January meeting he believes.

Jordan Aigner said yes, he wanted to, as a developer in the county open some discussions up about the Comprehensive Plan and at some projects they are looking at and have done in the state and would like to do in their home county. He said in particular he is going to refer to them as tax credit projects. He said he has with him today a business associate and developer that is in this realm much more than him, he has worked with them in the past, and they are here to explain some specifics. He said basically what they are asking is for the Boards to consider some revisions in

the language that would allow tax credit projects here in Warrick County. He said he'll refer to one here in Boonville that is happening now, and Boonville has their own Comprehensive Plan, they have a project that awarded last year, the owner of that was Miller Valentine and Boonville Now is a partner in that and there were some changes that they had to make in their Comprehensive Plan that they worked with the developer. He said these are projects that they do all over the state. He said it is a competitive application that they submit to IHCD, a state agency, and they review these things. He said they are projects that are affordable housing but with a much a different look or connotation might be of affordable housing. He said he'd like to introduce Greg with Keller Development who can go into more depth about the different projects, obviously this is very informal and they are here to give them information.

Greg Majewski approached the podium. He stated he is with Keller Development. He said they are a housing developer general contractor and they also have their own in-house property management company based out of Fort Wayne. He said they are a family owned business, they have been around since 1957. He said they have been working closely with Aigner Construction for the last 3 years. He said they are getting ready to complete a 54 unit apartment community in the city of Greenfield which is just east of Indianapolis and they partnered with Aigner. He said they would love to have the ability to do a project like that in Warrick County for a variety of reasons. He said first he wants to tell them a little about the tax program that Jordan was addressing.

Greg Majewski said the program is called the Section 42 Rental Housing Tax Credit Program, it's an IRS program that was founded in the 80's with Reagan Tax Act and it has been the biggest and best tool for creating affordable housing since then. He said his firm specializes in doing that; they do it all over Indiana. He said Warrick County is uniquely positioned to take advantage of this program. He said it is competitively administered by the State of Indiana through IHCD, the Indiana Housing & Community Development Authority. He said they lay out several different criteria or priorities for where they want it located, look like, and who they want it to serve. He said they reward points for those things, like being in an economically empowered community with opportunities for education and employment and Warrick County would be a prime place for us to do a development of this nature. He said the biggest limitation though is that one of the States priorities is to also be located someplace where there is a redevelopment plan, whether it's for a neighborhood or an entire county, they don't specify the scale of it, but the plan has to specifically call for this type of housing as one of it's goals. He said having gone through the Warrick County Comprehensive Plan, they understand there is emphasis on creating high quality housing here in the county, but the specifics of creating affordable housing aren't really addressed therefor the State would not agree with us if we were to say that your plan does call for this type of house. He said this type of housing, while it is for people with restricted incomes; the quality is such that it's indistinguishable what is built conventionally throughout the states. He said it supports the construction of the housing but it does not support the operations. He said these are self-sustaining projects. He said they do not have subsidized rent for tenants; if you qualify to live there it is because you have the means to pay to live there, whether that's through employment of you have some sort of benefit, that's really unspecified but it's up to each tenant to have that means. He said the income restrictions are based on the county so as the county gets wealthier the income restrictions go up. He said 60% of the median county income is the cut off. For example for

Warrick County last year, a one-person household could make up to \$27,360, a two-person household making \$31,260, a three-person was \$35,160, and a four-person household was just over \$39,000. He said while these are people with limited means they are not people in object poverty and it is working class housing. He said it's people making \$10-14 an hour in whatever job they have, it may be retired people living on social security income. He said it's people who benefit from living in this type of housing by virtue of the other side of it which makes sure nobody pays more than a third of their monthly income toward the cost of housing. He said so that way they can save money for their kids to go to school or to retire or save up to get a more reliable vehicle to go to work. He said it's really meant to empower people and if at any point someone's income does increase from the benefits of living in housing like that their not obligated to leave. He said even if they raise their income limit above the household limit they can stay as long as they choose to but our hope is that they do choose to and buy a home and be a productive member of the community. He said that is the program in a nutshell.

Greg Majewski said so in order take advantage of what the State offers, which can finance millions of dollars in their costs to create quality new development that ca give a boost to the surrounding area, the State really wants to put that in places that have plans that call for exactly this. He said they are kind of a unique situation right now in that the plan that the State uses to allocate this money is on a two year cycle, it has just finished year two on the cycle and they are creating a new plan. He said they've put some new restrictions on what they want to see in these Comprehensive Plans and we are waiting on clarification to see what our next ask is of the various bodies in Warrick County would be. He said whether that's to amend the current Comprehensive Plan or find a site and create a new micro level plan that has housing as a goal, that could be a step as well. He said we are trying to be proactive and he realizes that is kind of strange because there is not a concrete goal that they are putting in front of them right now. He said they are putting this in front of them so they can begin thinking about what the best path might be if they should decide that Warrick County has a need for this type of housing.

Jordan Aigner asked if there were any questions.

Terry Dayvolt said so rents are not government subsidized.

Mr. Majewski said rents are not subsidized.

Terry Dayvolt said so if they build a building and every apartment costs, lets say \$600 per month.

Greg Majewski said they would be on a scale. He said the State does require us to have rates that are affordable for people at varying income levels. He said the lower end...a one-bedroom apartment on the lower end of that spectrum might rent for \$300. He said a three-bedroom apartment on the higher end of that spectrum might rent for \$700. He added that for anybody to live there, they have to demonstrate that that are not paying more than a third of their monthly income towards the housing cost. He said so it is not paid for them.

Jeff Willis said so you said they could qualify for other services.

Greg Majewski said yes, if they are on social security, if they do have a housing voucher, we look at that like any other type of public benefit but it is not provided to them by this program. He said they would rent an apartment in this type of community just like they would anywhere else.

Mike Winge said so if you put these things up, there's no subsidizing from the State for people...if your going to build it for X amount of dollars, there has to be profit from somewhere. He said he is not sure where they are coming from on that.

Greg Majewski said the program finances about 80% of the construction costs, which means we can have a comparatively small loan and very little debt to have to worry about paying off.

Mike Winge asked what part of the 80% programs funds...is it Federal or State?

Greg Majewski said it's a Federal program that gives companies like theirs a tax credit that they sell to private investors and they get a dollar for dollar relief for their tax burden. He said and if they pay them 80 cents per dollar for those, you multiply that by a million, that is where their incentive comes from and they is also where the money comes from to us for selling 80% of that dollar value.

Mike Winge said so in order for somebody ...inaudible... to get the tax credit, the Federal Government is going to give them the tax credit, they will make their profit on that side and then that's going to be subsidized through that 80% correct?

Jordan Aigner said pretty much, so you've got large financial institutions that need to write off taxes, these are national firms lets say. He said the way they do that is the governments is going to say well if you are going to invest in a community program like this we'll give you tax credits so this is a program that they invest in. He said lets say this project, thinking broadly for Warrick County, if you have a 10 million dollar project, this program is going to finance 8 million, the gap is on the developer, so he has to go out and get a permanent loan on that difference, 2 million. He said that's just to construct it, the operations of it, that's all on him, so it's no different than any other apartment complex, multifamily facility, the rent role has to pay for the facility, that is not subsidized.

Mike Winge said he is with him there but where he is coming from is when you follow the dollar it sounds to him like, in a roundabout way that they are redistributing the wealth, which sounds an awful lot like socialism.

Greg Majewski said every state gets an allocation of tax credits every year and it's based on population and the program says that the state has to allocate those basically in the way that they see fit. He said if the tax credits don't go to county A, they will go to county B because the state uses all of the credits every year. He said so when they apply they are competing to be one of the few communities that receives them. He said it's not like if they don't apply then the money is not used, it just goes somewhere else.

Mike Winge said so originally this plan is to help the people that can't afford a house, rather than to get a huge tax credit for somebody that is making a ton of money to begin with.

Greg Majewski said yes, it incentivizes private investment in affordable housing as an alternative to the traditional model where section 8 went and built giant towers in communities. He said with the 80's tax reform they realized that wasn't working and they put this program in place to change the way affordable housing was created.

Mike Winge said his big fear is...he's gone through and walked some of the section 8 housing to get a first hand look at it. He said he sees what they end up with. He said to him it seems like the people need to be educated...to meet some kind of education system put in place to teach the people about money and managing those type of things rather than just keep putting up these houses and then we end up with a bunch of stuff that is deteriorated. He said what is bothering him about this is the direction it's going because we have all kinds of things instituting putting...the Federal government is going around...the money is going around but it sounds like a big tax credit for the people already making the money, but the people that owns the residences of the property that is being bought up, they are the ones that's have to end up with these houses and how do we know that they are going to be maintained. He said he was a Building Commissioner for years...

Greg Majewski said he agrees with him and his example of section 8 is a good example because this is not section 8.

Mike Winge said but you taking the same style of people that have never been educated on the other side.

Greg Majewski said not necessarily. He said with section 8...

Mrs. Rector said just because a person lives in section 8 housing doesn't mean they are uneducated. She said her dad lived there.

Mike Winge said he is not saying that.

Greg Majewski said section 8 functions basically to pay for a portion of somebody's rent up to whatever the determined fair market value is. He said so if that person earns zero dollars, section 8 pays for them to live in an apartment up to whatever the fair market is determined to be. He said with this, rent is set maybe at \$400 for a person who is not making more than \$1,200 a month, and they are responsible for that \$400 in whatever way they manage, whether it is a voucher or employment income, or social security or disability. He said but they are responsible for keeping themselves in compliance with their lease, they do have to pass a background check; they do work with social service providers in all of their communities to bring housing education, home ownership counseling, financial literacy, those types of programs they do make available to their tenants. He said he understands the concern with what history has given us since the 50's and 60's but this program is a change in that model and he would encourage them to take a look at what they have built throughout the state to see what these projects look like as they age. He said they

have reserves built in. He said they have mandated compliance period by which they have to make money available for certain repairs, they are very financially sound models.

Mike Winge said he has one more question. He said if the tax credits are going to get 80% and then they are going to borrow 2 million for example, then the person that borrows the 2 millions dollars, they are going to have the full 10 million dollars to work with as far as the construction of the building and awarding contracts for the different people or do they oversee most of that, part of that, or do they have their own construction company set up...how does that work.

Greg Majewski said they are their own general contractor so they do oversee that. He said they do some of their own trades in house but they also subcontract and get local workers when they can.

Mike Winge said so they are getting 10 cents on the dollar for putting up 2 cents.

Greg Majewski said he is not sure he understands. He said the only money they are receiving is from the construction contract and then there also is an incentive fee for the developers. He said so because these will basically break even and support themselves on the back end, the state builds in an incentive on the front end to make it worthwhile. He said otherwise these would breakeven and no one would be incentivized to do that.

Mrs. Rector said when Jordan was talking to Morrie, Molly, Amanda, and myself that day he talked about that there were a lot more restrictions towards this and a lot more that you have to put into them than just traditional apartment complexes. She said so it's not like you are just going to go build a 3, 4 star building with nothing else there.

Amanda Mosiman said that day she looked up, you can look up on the website...there were four projects that had been built in Warrick County under this program but not by a local developer. She asked what those were. She said remember she was reading off the list of the ones in Newburgh, there is some section 10, so not looking at section 8 but section 10 that was not done by a local developer but if you want to look at some sites there are some in Newburgh.

Jordan Aigner said that is a great point. He said these are in the county already but he is trying to make it more competitive so they can get more. He said the money is going to other counties and you have blighted facilities that are being taken down and that is 10 million dollars being invested in their community. He said with that type of rent restriction, that nice of a facility might not be built for people who can't afford it, otherwise a normal developer, what we call a market rate developer, his rent is going to be 8, 9, 1100 dollars and he is going to put them all where the population is going because that's how you pay for a market rate development.

Commissioner Saylor said Jordan that is true the development down there at 261 and Oak Grove, he thinks three bedrooms run around the 1100 dollar range. He said so clarify this; he heard section 42 and section 10, he knows what section 8 is...

Greg Majewski said it is section 42 of the internal revenue code.

Bill Byers said so there is no home ownership possible through this program.

Greg Majewski said these are rental housing.

Commissioner Saylor said section 10 is actually home ownership.

Greg Majewski said he is not familiar with section 10.

Paul Keller asked what kind of impact does that have on real estate taxes.

Greg Majewski said it adds to the tax base because the types of sites that are incentivized for redevelopment are typically not generating much and when you put 40 or 50 apartment units, a 8-10 million dollar development, that's a large improvement value.

Paul Keller said so they are going to pay the real estate taxes.

Greg Majewski said yes.

Jordan Aigner said the owner.

Greg Majewski said yes, this is private property, it is taxed as such. He said part of what this program also wants to show is public financial support for projects like this and since very few communities are willing to write a check to do that we often seek tax abatement but that's not built into the program, that is something we try to do because it's what the state wants to prioritize. He said but to answer your question directly, yes they will pay taxes like any other property would.

Josh Reed stated for the state of Indiana it's about 150 million dollars that they award annually throughout 92 counties so that's about 18 projects a year get awarded. He said it's highly competitive and to have opportunity to have that investment in the county or any community is highly sought after.

Jordan Aigner said the flip side of that, so he's trying to put himself in their seat of if we do this, are we going to be inundated with these types of projects or are we going to shift the development of Warrick County to where it's all low income; that may be what one might think but that's a good point, state wide you are talking about 18 per year. He said the QAP, Qualified Allocation Plan, that's lets just call it the bible that they have to go by. He said every 2 years, if you want to submit an application you have to adhere to these restrictions and you get points, it's a weighted system. He said it's very difficult to get these sites, a lot harder than you think. He said they don't want to be next to a railroad, they need to be next to maybe fresh produce, within walking distance of a school, so it's a lot harder than you think to actually fit the program, which protects you from being saturated with tons of projects like this.

Mrs. Rector said sir, what is your name please.

Josh Reed.

Commissioner Johnson said you mentioned in this program that there are financial counseling services available through the community, home ownership counseling; is this part of this program, is it offered through this program, is it a requirement of this program to rent one of these homes and own it.

Greg Majewski said any service made available is voluntary. He said they cannot say that they have to enroll in financial counseling as a part of their lease. He said their property managers are all trained to basically assist tenants, almost like social workers in a way in that they understand the tenants financial situation because they are privy to all of that when they screen somebody into the program and they try to connect them with the services that are most relevant to their needs and a tenant can say no I don't want to do that but people who frequently...

Commissioner Johnson said he doesn't think he would want somebody from their firm knowing about their financial abilities and personal...

Greg Majewski said it wouldn't be from our firm.

Amanda Mosiman said Purdue Extension offers that. She said they do that through their HHS program so they work with trustees now, people with low income, they do have that availability. She said they have two people working full time on that in the county now. She said if this project becomes to the county they can make sure their resources through Purdue Extension are in their hands.

Commissioner Johnson said but they come to you as a volunteer.

Amanda Mosiman yes and it's a truly unbiased researched based program.

Commissioner Johnson said they don't know everybody's financials.

Greg Majewski said he's sorry, it is not their firm. He said our property managers connect people to resources but they are not the ones doing the counseling. He said they'll connect people to the appropriate agency should that tenant have a desire for the programs that they offer.

Mike Winge said it sounds like they have all the requirements on the development side and no requirements on the people. He said there needs to be accountability on both sides to make this work.

Mrs. Rector said anytime you rent an apartment anywhere they are going to run a complete background check or credit check; they are going to know everything about you.

Greg Majewski said they do an income check not only to make sure you are under the limit but to make sure you have the means to pay for the apartment you are applying for. He said they do a

landlord reference check, utility payment history check, credit check, criminal background check; any failure in those categories could disqualify you from leasing.

Jeff Willis said he was looking up the Federal Reserve of Dallas did a report back in 2014 on the effect of the schools that are around these communities. He said they found the first year they do okay, maybe they go up a little bit. He said in the years after that it hurts the schools that these communities are in. He said it was talking about the tax credit communities, he didn't think it was a proper article because he thought they were talking about something else today but when he was reading it it was talking about how it actually hurts the schools until they can get more funding from the community to hire more teachers, build more buildings, which a lot of times these communities bring in students that require more help than what the schools can handle.

Greg Majewski stated anecdotally he can tell them that when they build a development like this they draw from people that are already living in the community in most cases. He said yes people will come from elsewhere to live in a development like that but if they build in...if they were to build in Boonville he would estimate anecdotally more than half, if not more than 75% of any children that would live there would already be in the school district. He said you can get a \$350 apartment, whether it's offered in their development or elsewhere in the community, it's going to be there. He said the product is there and they are the healthy competition to have people either up their game or they are going to be stealing tenants from them.

Jeff Willis said and when you are talking about property taxes, you are taking a \$350 tenant away from landlord A because you have a nicer property, brand new, paid for by the tax credits. He said so you are getting a property, a 20% of what the private developer had to pay for his property, and he has to compete with him on rent so now they are driving his property values down. He said how much will that offset their increase in tax revenue to the county. He said how much will we be losing because his property value is going to drop 50%.

Greg Majewski said they are not building for 20% of what someone else would. He said they are paying the same as what any new development would be paying.

Jeff Willis said but they are getting 80% of that from private tax credits.

Greg Majewski said it is private money but it is still money. He said the tax credits that they sell they sell to giant banks and insurance companies and investment companies that put them together like mutual funds for companies like that to invest in but the money still flows directly to the project like it would anywhere else.

Jordan Aigner said if he could speak to that point, you have a guy that has maybe 15 rent houses in the county, and now this guy is worried because this is coming to town so what does that guy have to do. He said he is either going to lose his tenant to somebody else or what does he do to prevent that loss.

Jeff Willis said he shutter the building because it's cheaper to let it sit empty than to compete. He said look at Evansville, there are shuttered properties all over.

Jordan Aigner said what he is saying is how do they protect their community from this type of project if they allow it. He said what protection do you have of the landlord who, and we have these, who is getting \$350 and he's not putting any money back into right now. He said you don't have any control over right now of the private developer other than county condemned property if it gets to that point and there are some really rough properties that there is no incentive for that because his business model is to let roll, just keep making the \$350.

Jeff Willis said what is going to happen, when you drug screen, background check, the guy who has 15 properties probably isn't going to do that so that is where you are going to get your drug houses, etc. because he is going to rent to somebody.

Jordan Aigner said true and he thinks they are always going to have a need for that person who doesn't screen as much, you just are. He said his point is you don't have the oversight over the person who has 15 rent houses to do anything until it's on tax sale.

Jeff Willis said his concern, mainly was the impact on revenue to the county and how it is going to affect the school systems because they were also saying if you put it in a middle class or less neighborhood, the school is harmed pretty quickly.

Jordan Aigner said he doesn't know about that, he'd have to read that document.

Amanda Mosiman said she has Warrick County tax tables and can tell them exactly how many dollars are lost at that 2% which were rental housing would be for each one of their school districts. She said most of it is right here in the city of Boonville because of the tax rate. She said so depending on where those developments go in the county, it could hurt if it stayed here, it'd probably stay even if it went somewhere else. She said if you really want those numbers she has them.

Mike Winge said you are going to have to consider a lot of things for example they are talking about all of these cheaper places for people to live, you have another competitor that's paying the full dollar, he is not getting 100% for 20% of the money and he'll name one for example that builds inexpensive homes and that would be Jagoe. He said those are guys that build their homes, and these are very affordable homes that something like this is going to hit them in between the eyes and they've been here building for a long time. He said he thinks they will see some affects from this from the contractors, and they are small contractors that might build 2 or 3 houses a year which is going to take away from those guys who have their livelihood here their entire life.

Jeff Valiant said they are not renting those houses out to people.

Mike Winge said he understands that but when you provide this type of homes at this low rate it is going to affect the sale of homes.

Greg Majewski asked if he was speaking about private home builders.

Mike Winge said yes.

Greg Majewski said to him this is a totally different project than a private home builder. He said apartments versus homes in the location of where those might be, he understands his concern but he is not sure if they are comparing apples to apples.

Mrs. Rector said say you had the money right now to look for a piece of property out in the county. She said where do they look because they know how much ground cost in Ohio Township. She said so where in the county where would they give the money before anywhere else.

Jordan Aigner said it's kind of an Easter egg hunt because, speaking completely for himself, Keller is a developer that he has done one project with them, they have a great relationship but they do this all over the state. He said his effort was to say why don't we do this in Warrick County. He said you have to go around and find the right site that fits the QAP and again, it's very difficult. He said to be honest with them he's not sure if he could find one in Warrick County that would fit the current QAP without a developer like him and others who are commenting back to the state and saying hey, change this so we can get better possibilities so it's a lot harder than you think. He said from a market study he thinks it doesn't really matter whether it's in the higher populated areas like Boonville or Chandler or a Newburgh area. He said obviously you have a higher population in Newburgh so a market study developer is probably going to get plenty of people to come in the Newburgh area. He said for him, and this gets to a little bit of a school situation, and probably Greg wouldn't do this because it's just too small but he'd love to see someplace like Tennyson. He said that is a community that doesn't have any development. He said they have a school up there that's got some really tough decisions to make and he was hoping that some language like this, while it may not be with Keller or maybe another developer, that would maybe open up some doors so we could actually get some government funding there in a place that really needs it in their community. He said so he has a few sites that he thinks may work but not with the current QAP. He said that is why they are coming to them ahead of time to see if they'd consider something like this, they don't exactly what is going to come down the pipe but he's telling them, and here's the deal, this is growth, this is development. He said so if it's not this type of development that they want, he understands, that is for the Boards to decide. He said personally he thinks it's good, he doesn't think it will saturate the market because that is the way the state has created the program. He said for example Boonville just won one and they are not going to approve another one in Boonville for 2-5 years maybe, and then there's another QAP at that point so it's not like these are going to pop up everywhere. He said other developers are going to counties that already have this stuff in place because they don't have to come to a meeting like this and take time...they do this for a living. He said his effort was to say let's make our county more marketable.

Commissioner Johnson said he doesn't see how Tennyson could meet the QAP. He said there's no grocery stores, there's no gas stations...

Jordan Aigner said Bob you are right and that's his point.

Commissioner Johnson said he'd love to see Tennyson revitalized but it's a lot of development for the grocery store, service stations...

Jordan Aigner said well right now those things aren't there, five years ago there was a grocery store, there was a tavern...what was the name of it.

Commissioner Johnson said it used to be Double D's.

Jordan Aigner said they had the tavern and they had family. He said right not those things are gone but if we had done something about it 5 or 6 years ago, those things did exist so it's only going to go one way if you don't start somewhere. He said you have to plant a small tree to get a big oak.

Commissioner Saylor said he thinks this project probably fits a certain type of person. He said he knows these millennials are growing up, coming out with college debt, they can't afford the \$800 a month one bedroom apartments, and if they could come out and get out of their mom and dad's house; as a matter of fact he has one. He said they could probably afford the one bedroom, \$300 a month or \$350 or \$400 so he sees it kind of filling in a niche of the market and he does not think the saturation would be there. He said he thinks this county could probably support a couple of these. He said his question is one; how long have you been doing these projects under this tax incentive and for how long and how many of those have you managed and have you sold any.

Greg Majewski stated they have been doing this specific program, the first one that they did opened in 1988. He said they have never sold one, and they manage almost everything that they have ever built. He said there are a few projects way down south on the Ohio River where they have a partner company and they manage a cluster of them for them but they still retain ownership and they do manage a vast majority of what they have built which is approaching about 3 dozen different apartment communities totally...he actually brought information. He said he printed out a dozen of these. He said they have developed and built 41 projects totally about 2000 individual apartments. He said they have built another 60 for other developers totally about 2000 apartments. He said they have been doing it for approximately 30 years with this specific program.

Commissioner Saylor said they have received a few calls from tenants that the apartment complex, they get built, and it seems like they suck all of the money out and don't put any money back into maintenance and that kind of thing and continually deteriorate and become an issue for their landlords and take up a lot of resources. He said that's why he asked how many they sold. He said about upkeep and maintenance, what is their philosophy on that; they have had a lot of tenants wanting help because the apartment complex was not maintaining their driveway to the point where they call the Commissioners and he's gotten legal counsel involved and was gracious enough to send a letter which motivated them to fix some of those issues. He said that is his problem with some of these apartment complexes and he doesn't know if they have laws and rules in place that can address that kind of thing because the tenants have really no voice. He said they addressed from a safety viewpoint of sending ambulances and policemen in there and damaging their car so that's how they helped them out.

Greg Majewski said every project is unique but the program, even if we didn't think it was important, which they absolutely do, the program, the state, the IRS, the investors, all require them to have capital reserves for things like replacing a refrigerator, or fixing the pothole in the parking

lot. He said they have built in vacancy allowances to account for, if they do have a unit or two empty for a month at a time to make sure they can keep everything running smoothly. He said they pride themselves on their curb appeal. He said they want to be part of the community where ever they are. He said they are based in Fort Wayne so they are as far away from Warrick County as they can get and still be an Indiana developer but they want to be a part of this community and they wouldn't just put something here and let it rot.

Commissioner Saylor asked so are you moving down here?

Greg Majewski said he is not but he is building one of these about 2 blocks from his house in Fort Wayne and he had a very hard job convincing his neighborhood that these was going to be a good thing. He said he would stand behind anything they can do and would and am putting one in his own neighborhood.

Commissioner Saylor said in the handouts do they have their locations on them.

Mrs. Rector said she gave you Dan, it's in there. She said she is kind of confused. She said so this is not section 10.

Greg Majewski said it is not section 10.

Mrs. Rector said and Jordan was talking about section 10 before.

Jordan Aigner said he was probably wrong. He said that is why he brought the pro's and he might have said the wrong number before.

Mrs. Rector said oh okay

Jordan Aigner said maybe this a question for Morrie or Planning Commission but he feels like the conversation sounds like they are asking to do one of these projects. He said he doesn't mean to be edgy here but these projects are already allowed to be in Warrick County; is he right?

Attorney Doll said yes. He said you can do PUD's, and how many apartments have been built in Warrick County in the last 5 years, a thousand? He said probably at least a thousand. He said but those apartments, the starting rent is probably \$900 or better per unit, what they are talking about doing is permitted in Warrick County as a multi-unit development in "R-3" zoning district.

Mrs. Rector said "R-2B".

Attorney Doll said and as a PUD so yes, they are not asking permission to change the zoning code to allow these for the first time, what they are here for is to say sweeten the pot in the Comprehensive Plan. He said add in affordable housing clause as a goal in our Comprehensive Plan which raises or elevates Warrick County's status in the state competition for awarding dollars to projects like this.

Jordan Aigner said yes.

Attorney Doll said so on a 10 million dollar hypothetical project you sell tax credits, you raise 8 million of it; 2 million short. He said you turn to the State of Indiana and say approve this project and if they do, that money goes in to make up the 2 million that's still short. He asked if that was true or do they borrow it.

Greg Majewski said they submit an application to the State of Indiana that says this is a 10 million dollar project, of the construction costs 8 million of that is eligible to be financed by this program. He said if they agree with them and if they score high enough they get awarded tax credits that they sell to raise that 8 million dollars. He said the 2 million is then on them, they go to banks and are basically borrowing from themselves at that point.

Mike Winge said so if they don't change the ordinance they wouldn't be able to apply for that tax credit.

Greg Majewski said they would not be as competitive.

Mrs. Rector said because they could do it now.

Jordan Aigner said Amanda pulled up ones that are already in the county. He said Canterbury...

Mrs. Rector said she thinks Springview is, Canterbury and Green...

Amanda Mosiman said you have Sharon Woods Apartments, off Sharon Road in Newburgh. She said you have Canterbury part one and two, Springview off Bell Road in Newburgh, Heritage Woods, which is Grimm Road and Rabbit Run in Newburgh. She said Boonville Homes LLC, in Boonville that has not been built yet. She said Lincoln Place Apartments here in Boonville off Mills Avenue and Sharon Woods off Sharon Road in Newburgh. She said those are the seven or so projects in Warrick County.

Mrs. Rector said and we don't ever ask another developer how are they paying for this. She said we are zoning...

Jordan Aigner said the reason he brought this down was because they were looking at doing a project here. He said it just wasn't fitting, they couldn't find the site, they couldn't be competitive and so this team took all of their efforts to another county, they went to Hancock County and that was a 9 million dollar project. He said he just likes Warrick County and he said why is he driving up there and putting effort in up there when he could be doing it here. He said they are asking the right questions which is why they are bringing it to the Board.

Mike Winge said of the places that they mentioned, he walked through two of them, the one off Sharon Road and the Lincoln Apartments here in Boonville. He said the Lincoln Apartments are

managed quite well but if you go in off Sharon Road you are going into a disaster area and he's talked to some of the law enforcement down there and they are there all of the time because of drugs and everything else. He said his question is, with everybody wanting to get these things built, and he asked this earlier, what kind of guarantees do they have that they are not going to turn into those kind of situations. He said if you walk in that place on Sharon Road you are going to be disappointed.

Josh Reed said the investors did say they are giving 8 million dollars for these credits. He said that is a huge risk for the investor if they fail and there are guarantees that they have to repay every dime back to the investor if they fail. He said if they don't meet occupancy, if they don't have qualified tenants, if they are not compliant with INCDA, if they are not in compliance with IRS which is audited annually. He said so the oversight on this program is quarterly audits, annual audits, and the risk of recapturing the credits is significant and these investors require significant oversight in these to make sure that they are in compliance and operating as planned because they don't want to lose the tax credits that they paid money for.

Mike Winge said so you mentioned the Sharon Road Apartments so if that is watched and monitored like that then why are they so bad.

Josh Reed said he doesn't know if Sharon Road is in the compliance period, when it was built, who manages it, if it was section 42...so he doesn't know about that.

Mrs. Rector said she thinks those are government subsidized rentals.

Amanda Mosiman said there was only one phase of the Sharon Woods that was part of this project, there may be other parts of that that weren't built with it.

Mrs. Rector said Sharon Woods only has about five buildings don't they; at 66 and Sharon, there's only a few buildings.

Amanda Mosiman said 7100 Sharon Road.

Mrs. Rector said it is not a big complex.

Greg Majewski said to give an example of the scale they are talking about a big project for them would be about 60 apartments and a lot of the complexes are 100 or more so these are not large, big, multi-building complexes. He said these are a couple of dozen units.

Attorney Doll asked how they build them, by that he means the structure. He asked if they were block buildings or scattered site housing, or multiple floors...

Greg Majewski said the answer is yes. He said in the booklets that he brought he tried to give them a good sample of everything that they have done. He said they have done historic rehab of mixed use buildings, they have done adaptive reuse of an old dress factory and several old schools.

He said they've built lots of new construction, both single building and multi-building concept. He said they've built duplexes, single family homes; they've done all of the above with this program. He said it's a project by project basis how they make that decision depending on where the property is that they are interested in, what the market says, what the particular tenant type, whether it's families or seniors; that all plays into how they design for it.

Attorney Doll said so they can do mixed use projects.

Greg Majewski said we can, they are difficult and we don't do them a lot but yes.

Attorney Doll said which means they could have a retail component in the project.

Greg Majewski said you can but the program will not finance anything related to the commercial aspect.

Attorney Doll said that's correct and then the housing component may be above it. He said he thinks that's been done in Tell City and Mount Vernon both have that same project which there's ground floor retail and the housing sits above it. He said the Mount Vernon is a river overlook project, it's right on the bank of the Ohio River.

Paul Keller asked what does the investor get besides a tax credit; do they have ownership in the building?

Greg Majewski said each project has a limit partnership, the investor is the limited partner.

Jeff Willis said so they make part of the profit in the future if there is any.

Greg Majewski answered yes.

Paul Keller asked what their target was. He asked if they were looking to bring people in that are already living in the immediate area? He said they mentioned 50, 60, 70 percent are just relocating within that area so is that their target is?

Greg Majewski said yes, they have done their own in-house...

Paul Keller said so they are not really going to grow the population.

Greg Majewski said they might but they probably won't especially with the scale of development that they are talking about but they have done their own in-house market survey. He said they have seen the vacancy rates here are low among all apartment types and they know the market could support a project of that size.

Terry Dayvolt asked what their target age group is.

Greg Majewski said when they originally came to Jordan and wanting to do something in Warrick County they wanted to do families, so no age restriction. He said but there is the ability to do a senior project if they decide that is what's best.

Terry Dayvolt asked for seniors who are on fixed income, as well as the college student like Dan's renter that he has at his house...

Commissioner Saylor said no he's not renting.

Terry Dayvolt said most of the rental businesses in this area have an income requirement, that you make a third or a fourth to cover your rent or make three times the amount of your rent for the month to prequalify for an apartment or duplex or whatever. He said how do they qualify somebody that's his age who is retiring and going to be on a fixed income and want a nice place.

Greg Majewski said exactly how he described. He said they make sure that they have the means to pay the rent without paying more than a third of their income towards their housing cost, while at the same time looking at all of their income and making sure they are underneath that low limit. He said they specialize, they kind of have a niche in creating senior properties and they find those lease much faster than the typical projects just because seniors on fixed incomes are easily able to meet kind of that upper end lower limit.

Attorney Glass said you know we are going to close soon on Newburgh Assisted Living on Grimm and Rabbit Run and that is a HUD project and that's going to be Medicaid eligible senior living but's a high end, it will look like Hamilton Pointe but you can be Medicaid eligible and live there but you might be living next to somebody that owns Meijer's. He said in that study it said it will be he thinks 180 units and that study indicated that Warrick needed about a thousand.

Commissioner Saylor said his experience with those types of places is that there's very few of those units open to Medicaid. He said they have to service so many and those are always full.

Attorney Glass said it's similar to what Terry was asking and didn't know if everyone knew about Newburgh Assisted Living.

Amanda Mosiman said the incomes are based off of the local average incomes right; they are not based off of a state average they are already what they are dealing.

Greg Majewski said right, they are based on the county.

Amanda Mosiman said that's going to keep us pretty...

Jeff Willis asked what 60% of the average median.

Greg Majewski said 60% of the median income for the county based on household size so it scales up the more people in the household there are. He said he has last years numbers. He said he

thinks her read them off earlier but he can reiterate again. He said last year in Warrick County a one person household, that limit was \$27,360; two people \$31,260; three people \$35,160; four people \$39,060; and it just scales up from there.

Mrs. Rector said Jordan confused her.

Jordan Aigner said he does that all the time.

Mrs. Rector said because he talked about single family and buy back and stuff.

Jordan Aigner said hold on; the project in Boonville, this is the same type of project...sorry the same section. He said they are a different developer, they are one of his competitors and they submit an application here in Boonville and they won. He said they had a different spin on it and they said they are going to do a scattered site and some of those have the option at the end of their term that that person can buy it for X amount of dollars.

Mrs. Rector said a single family dwelling.

Jordan Aigner said correct. He said Greg has that ability to do that, it's just not their tastes to do that.

Greg Majewski said they have done that but they've done it locally, where they can work very closely with their housing counseling agency to assist the tenants so it is definitely a possibility here but it's not something they considered as what their primary focus would be but it is possible.

Paul Keller said so it could be a rent to own.

Greg Majewski said yes.

Attorney Doll said that is their language in what they sent us in what came from Fischers.

Jordan Aigner said yes, that was a good comparable plan.

Attorney Doll said it's in the packet that Sherri's office had given each of them. He said on the second page is a sample of the language that may be included in the Comprehensive Plan for Warrick County and Sherri and himself had spent some time talking about Comprehensive Plan and in the attached pages to that packet, that has their three residential construction goals outlined in the Comprehensive Plan. He said that would be the place, in his opinion, where the Area Plan Commission would insert these principles into the Comprehensive Plan if everybody was inclined to do that. He said he thinks it is pretty laudatory type of language, "To create housing and neighborhoods that are financially, socially, and physically accessible to the community," he doesn't know who'd be against that. He continued, "it's first action step is to integrate a variety of housing including affordable, senior living, apartments and single family housing into redevelopment and infill development sites to enrich diversity of housing choices in a given

neighborhood.” He said so it’s not very specific, it’s pretty grandiose and public policy oriented but he thinks is the type of language and maybe they’d want to be more specific than this.

Greg Majewski said Jordan asked for an example and he gave them this one as something that is broad but hits all of the benchmarks.

Attorney Doll said and this is what Indiana is looking for.

Greg Majewski said yes.

Attorney Doll said to raise our eligibility in consideration in the process.

Terry Dayvolt said what he is concerned with is they already have housing in the county, correct?

Attorney Doll said mostly in the cities...no that’s not true Canterbury is Ohio Township.

Mrs. Rector said they were approved before and we don’t know what kind of regulations they were approved under, they keep changing it.

Jordan Aigner said yes, every two years they have new rules.

Mrs. Rector said yes and they have been there a long time.

Jordan Aigner said Morrie makes a good point there, that is similar...if they so choose to adopt some changes that is potentially one way to go but the reason they are before them now, is they don’t know what the QAP is telling them to do yet. He said they have to wait until they issue a final, there may be further direction from that QAP to say...

Attorney Doll asked when will the QAP come out.

Greg Majewski said they have their first draft published, they submitted comments to it, the second draft will be probably more or less approved as the final working, go with this version in March, and the first draft said a plan can be no older than 15 years. He said they are asking for clarification, if an amendment or an update newer than 15 years would grandfather a plan like theirs in.

Attorney Doll said Sherri had told him, and this is a 1993 plan, and the Comprehensive Plan in Warrick County has been amended twice.

Mrs. Rector said 2007 was the last time.

Greg Majewski said so they are asking if that 2007 update would allow or would they have to try something totally different.

Attorney Doll asked how extensive of an amendment would qualify. He asked if simply inserting this paragraph qualify as a new enough plan?

Greg Majewski said that is what they are waiting clarification on. He said they don't know if adding a new goal or changing the housing section or what would qualify but they submitted a comment basically asking that. He said they are waiting for them to respond and that will tell them what their action step will need to be.

Attorney Doll said making this change doesn't favor any particular developer.

Greg Majewski said it does not.

Attorney Doll said anybody in Indiana who chooses to make these developments could make themselves available to try to do one in Warrick County.

Mike Winge said when they do these projects, in the area that they are in, do they use the local contractors, vendors, and things like that in the areas that they are into.

Greg Majewski said yes they do. He said they have some trades that follow them around the state and they do self-perform some traits but when they go somewhere they hire locally when they can't fulfill them themselves.

Mike Winge said but they have some that follow them. He asked if they follow them around the state with all of their projects.

Greg Majewski said yes, they are pretty much their exclusive employer even though they are not technically their employees.

Terry Dayvolt asked what would they be doing if they inserted this would be basically...

Attorney Doll said it'd be amending the Comprehensive Plan for either a new goal or...

Terry Dayvolt said but it would ensure if somebody that came to Warrick County like Keller that is selling the tax credits that if he gets in trouble, he has to pay all of that money back.

Attorney Doll said their partners.

Terry Dayvolt said so somebody is holding him accountable and not the county...

Jordan Aigner said Mike is saying there's problems with some of these...let's say the County is witnessing some of these and maybe it's not Keller but another developer that is really not taking care of the property. He asked if they can call up IHCA and say they are taking issue with it?

Josh Reed said he is sure they can.

Jordan Aigner asked if IHCA comes down as a different accountable party to say they are hearing grumblings out of Warrick County.

Greg Majewski said in extreme cases if someone is being totally negligent about this they can be removed from the partnership and another one can be handpicked to replace them.

Jordan Aigner said if he is a developer he would never want that to happen.

Greg Majewski said and that basically ensures that they will never work with program again if that happens.

Josh Reed said these investors send people down to walk the units and inspect the project every year.

Jeff Willis asked how long their review period is.

Josh Reed said it is a compliance period that 15 years that these projects have to remain affordable, he said typically its 30 years. He said it's a land use restriction applied to the land and after 30 years typically they have to be affordable. He said there is a compliance period where they have to remain complaint for the tax code that the limited partners are in the deal for 15 years and after that they are gone and....

Terry Dayvolt asked if they hold the owner of the properties accountable for up keeping of the premises and housekeeping.

Greg Majewski said yes, the general partner, the owner is responsible for the management of the property and that would be a failure of management because what he described would be a lease violation and that person shouldn't be living there.

Jordan Aigner said so really there could be, with some of the properties they were talking about, maybe it's time for somebody with the county to call whoever the managing agency is with the state and really, if it's that bad it's time to call them.

Terry Dayvolt said maybe they don't have that accountability.

Jordan Aigner said that is what they are saying if at some point, 30 years down the road, then the program is over. He said he doesn't know that, it'd be case by case. He said they talked about adopting these changes, if they decide to do it or not to do it there is another option. He said this language is good for all developers and broad for the county. He said they still have the same oversight when they come in for zoning they can still tell them to put a fence here or shrubs there, all that stuff they still have that. He said but if they don't do this, one developer like Keller could take it upon themselves, now it will cost them some money to do a micro plan. He said they found a site and write a comprehensive plan for just the one site.

Greg Majewski said they have run into cases where the local government has said they don't have the resources to update our plan but if they want to write one for the neighborhood that they are in, they'll review it so long as they hold the proper public hearings and doing all of the diligence and things like that. He said they have hired a consultant and have had neighborhood plans written for the neighborhoods within communities where their projects have been, and then presented them to the various governing bodies to adopt them as official and that has been a way for them to circumvent the whole issue that they are here today. He said they don't like doing that but it is an option.

Jordan Aigner said in transparency, there is an option there but what that does for him is now as a developer, do they want to come spend the money there because he has to do that ahead of time.

Attorney Doll said and then you don't have any uniformity in their community either. He said you have spot development by spot standards.

Greg Majewski said and that is why they are telling them that is something they have done, they wouldn't want to do it and then surprise them and say hey we wrote this plan, review and maybe adopt it. He said they do want to be transparent in telling them that is a way to...the optics of it aren't great, he totally acknowledges that, but it is a way to accomplish the same ends of fulfilling what the state prescribes without having a formal change in a larger comprehensive plan.

Attorney Doll stated the public policy decided that the end is they are pursuant to our Supreme Court decisions they really frown upon spot zoning. He said while this isn't technically spot zoning it effectively is spot zoning, because you could be prescribing a set of standards to be inclined to a development in a geographically territory that is different than anything else that is around. He stated if that isn't spot zoning, he doesn't know what is.

Jeff Valiant stated you can follow it up with a zoning you can request

Attorney Doll stated yes, he knew you could. He said including this in an existing district is what you would be doing.

Mrs. Rector asked so Morrie you were going to review the State Statute, does this require if the Planning Commission or the Commissioners to say Sherri prepare an ordinance and we are going to hold a public meeting on it just like a rezoning or an amendment to our Zoning or Subdivision Ordinances.

Attorney Doll replied he thinks so but he hasn't finished looking at statutes to date but he thinks that is what it is. He stated it would be just like they did in 2007.

Mrs. Rector replied right. She said then we would hold a public hearing and then it comes to the Board of Commissioners for the final.

Attorney Doll said or you do it the other way around.

Jeff Willis said when they put the apartments out in front of Castle North, it wasn't as bad as the chicken farm, but there were a lot of people that showed up for that.

Attorney Doll said he was sorry Castle.

Jeff Willis replied Castle North

Attorney Doll said yes, he remembered that.

Jeff Willis said if we do something like this, there are going to be a lot of remonstrators against changing the zoning to encourage allowing something like that.

Attorney Doll stated that is level two. He said the first question Jeff, is are we going to amend the Comprehensive Plan and if we are then they will go about looking for sites and then they will have to come back to us and say we have found a site and we need to change the zoning on it or we need what have you. He stated that is the level where if there are neighbors who disagree with the project coming that is where they will have their day in court so to speak, where they get to come to the Board and participate in the hearing about the zoning.

Jordan Aigner stated he will say this, because we are one of ninety-two, we as a development team need to understand if there is not support for this then he needs to let Greg move on to another County. He said he doesn't want to get this and then well we will hear you at the zoning hearing but our effort is not to promote this type of development. He stated if that is the case then he would almost rather you not approve it because then they know where they are and they don't waste their time or anybody's time.

Mrs. Rector said the question for Morrie is we as a Planning Commission Board do we even look at how they are going to finance a project.

Attorney Doll replied we don't anybody else.

Mrs. Rector said no and all of these things, are we even legally able to consider this.

Attorney Doll replied he doesn't think it is a valid consideration. He said the question is he thinks Jordan is right, is if there is not going to be broad base support to allow this to happen and there is going to be resistance at their rezone hearings etcetera from the government entities involved to these types of projects why amend the Comprehensive Plan. He stated to increase the State's likelihood of granting us an approval for such a project in our County, however if the leaders of the community and the positions favor this type of housing access then it seems to him by adopting this change to the Comprehensive Plan, you can't guarantee. He stated zoning is site specific. He said you have to know runoff, drainage, road access, and all of the other things that every development has to address. He said at least you don't have a philosophical argument staring you in the face, yes, they made it technically available to Warrick County but their heart is not in it and they are going to fight us every step.

Jordan Aigner stated right, if they get awarded a project and they aren't going to pay... He said prior to the application they get awarded, they are excited they are going to invest in Warrick County, they come to the Planning Commission, there are remonstrators because there always are, and the Board decides not to support this type of a project then they have problems. He said he would tell that developer not to come here again. He stated that is just the way it is.

Attorney Doll stated let him brag about their Board though. He said he doesn't think the Board votes on emotional issues because if that were true Prime Foods would never have gotten approved, or SU13 for Peabody, or whomever. He said he thought the Board does an excellent job of considering relevant facts in deciding the issue before the basic cold facts. He stated and so far, the Courts have agreed that that is exactly what they wanted for the applicant, every single time including the Appellate Court.

Jordan Aigner stated he guesses what he is saying to your point, if your heart is not in it though these types of language... He said it is more important, well it just seems like it could go both ways. He said with these types of projects or other types of projects. He said really ponder this.

Attorney Doll stated it seems to him that the proof is in the pudding and if there is an advertisement and a hearing to amend the Comprehensive Plan you will know right there where you will stand.

Jordan Aigner stated he agreed.

Attorney Doll stated and the fact that there has been such a good turnout indicates to him a willingness to learn about this and listen and see if it is something ...

Jeff Valiant stated he agreed.

Jordan Aigner said he appreciates everyone. He stated he really didn't know if they would go this long. He said he was sorry if everybody had other things to do.

Commissioner Saylor said he would like this; their instances where Counselor and he had dealt with the Canterbury situation with their parking lot. He said he didn't know who to call. He stated if these guys here do a project, at least he knows they are from Fort Wayne. He said he knows where Jordan lives, and he imagines he is going to have some kind of ownership in it somehow or someway. He stated that is what he likes. He said he just did an internet search on this company and hasn't found one complaint on them. He stated when you have been in business that long they are going to piss somebody off and he hasn't found one complaint on the internet. He said he would rather support, again he isn't on their Board, but he likes the fact that we have a local developer here that wants to do this.

Attorney Doll stated anybody could apply.

Multiple agreements

Jeff Willis stated yes, they are going to do a 50-unit facility; it isn't going to be but 100 kids maybe but not a huge impact, and it is an impact on the school but not necessarily a huge one. He said

but say someone else comes in and they are going to try to put it over Warrick County the next thing they are going to do is get as close to Vanderburgh County as they can. He said he is going to pull 300 kids over from Vanderburgh County and they are going to overrun our school system because we aren't set up for that. He stated if we put this generic information in there, the State doesn't care if they are from Vanderburgh County, Warrick County, or Kentucky as long as they fill them in with these requirements that they have and they are making their money as long as they meet these income requirements.

Amanda Mosiman stated we have been one of the top ten counties in the State for nearly six or seven years. She said every State or county meeting where she has heard our Superintendent speak he says they are ready for that and they are watching for that. She stated we are continuing to grow; we are a desirable place to be.

Mrs. Rector stated you are saying 300 kids, what is the difference between an apartment complex, and she knows they are lower income, but the Board approving a 300 or 400 lot Jagoe Subdivision.

Jeff Willis stated he had the same concern when they approved a 250-unit apartment complex next to Wal-Mart.

Mrs. Rector asked what was the difference between a new Jagoe subdivision that is approved and ...

Jeff Willis stated a Jagoe subdivision would take three to five years to fill up, so will a Maken subdivision. He said they are going to build this and they are going to have 300 apartment units in one day and fill it in one day with 600 kids.

Mike Winge stated Jeff is bringing a valid point here there is a lot of stuff you have to consider. He said they could defend it one way and look at the other way but they brought it to us and we really need to sit down and do a little bit of homework and think this through. He said there will be effects one way or the other. He stated there will definitely be effects for everybody.

Jeff Valiant asked to correct him if he was wrong but it can be down now, correct?

Multiple people answered yes.

Jeff Valiant stated so he thinks that takes it all out (inaudible). He said we purpose of trying to change the Comprehensive Plan is to try to....

Attorney Doll said higher probability.

Mike Winge stated there is a lot things you have to take into consideration and consider. He said he didn't think in this country that anybody was shortchanged by having a vision and having home ownership. He stated he wrestles in a lot of areas we keep dealing with whether it is homes for people or whatever. He said every one of us are in a free country and have a right to work. He stated he came from a very poor background and he has worked 60-70 hours per week and he can't get workers to come in. He said he is constantly going through workers because everybody thinks

they are entitled to something. He stated he doesn't want to go down that road with that entitlement mentality. He said if people want to have things, we do it in a decent way, and we think it through that is one thing.

Jeff Valiant said but it is already there.

Commissioner Saylor stated he understands what Mike is saying and agrees with him but look in your portfolio, he doesn't see any 800 or 900 unit developments.

Jeff Willis stated theirs is not but somebodies could be. He said that is where the generic wording in our Comprehensive Plan ...

Attorney Doll stated will come in to the Zoning Board and we get to look at them and see if they fit in that territory or not.

Commissioner Saylor stated look at the apartments that we have here now that he has concerns with because they are going downhill, he means look at what we are dealing with now.

Attorney Doll stated well Commissioner, fast forward ten years; we have 350 unit mega apartment buildings in Warrick County now. He asked what are those going to be like in ten to fifteen years.

Commissioner Saylor replied exactly.

Attorney Doll stated this probably has a better likelihood of being well maintained than maybe those do.

Commissioner Saylor stated that is exactly his point. He said he would rather see something like this, local guys. He stated he had a guy call him from New York, he wants to build an apartment complex on the old Burger king site, from New York. He said he frankly told him you are more than welcome but he wouldn't vote for him because he is from New York. He stated he likes the fact that we have local, he doesn't like the mega apartments where they subsidized it. He said he understands that you need some of that but like Morrie said what is our community going to be like in ten or fifteen years.

Attorney Doll said you have to have homes.

Commissioner Saylor said yes, you have to have homes.

Attorney Doll stated you have to remember prior to the recession Ohio Township was the second fastest growing township in the State of Indiana. He said only Fishers was growing faster than Ohio Township.

Mike Winge stated you have to maintain a comfortable balance in everything. He said he means if you have a turn down in the economy and people can't maintain or whatever there is going to be a stronger push to maintain their homes and keep the homes they have as to if you have a bunch

of rental apartments. He said if the rental apartments are vacant, you have another problem. He stated as the economy goes up they go down.

Attorney Doll stated if we want medical care facilities to locate here along the Wellness Trail we have to have workers and they have to have houses. He said if we want to keep Alcoa they have to have workers and they have to have houses. He stated housing is one of those elementary essential facts of life, like education, which we have to be able to meet. He said it is not my policy, it is your policy, I just help you implement when you tell me what it is. He stated you have to be able to meet affordability in homes and frankly, he worries about that in Warrick County is difficult unless you want to live in an older property that is not as well cared for. He asked where you put your family.

Mike Winge stated Posey County has an issue right now. He said they don't have any houses. He stated they have some manufacturing things going on over there but they don't have the housing to support the workers. He said Gibson County is getting better with it but...

Jordan Aigner said if we can pause this conversation for a moment, there is another aspect of it in that Warrick County was designated as work force housing. He said that was another competitive advantage that our county had in this type of program. He stated we talked about this in our meeting because Amanda pulled it up real quick. He said since Boonville was awarded their one project IHCA (Indiana Health Care Association) says ok now we are removing that designation from Warrick County so just in one project they removed a really competitive thing that he was excited about for our county. He stated now they are looking at removing it, am I right. He said so Greg and maybe others have asked that they don't remove the entire County just remove Boonville for this other little competitive edge. He stated we don't know the answer to that yet. He said if you as a County want this type of development, you should be calling and telling them please put us back on the list. He said remove Boonville but put the County, unincorporated, and all of these other municipalities back on the list. He stated that is what they have done and maybe other developers he doesn't know but that is the other step to keep you more competitive as well that we really haven't talked about.

Mrs. Rector stated that she knew Economic Development and everybody uses Workforce (inaudible) and a lot of things they do in the Chamber and all of that.

Attorney Doll stated when Toyota opened to put a fine point to it, when they first opened their plant in the mid 1990's they put a dot in Princeton, Indiana and drew a circle around it for 50 miles. He said that is our work force. He stated they are going to have to recruit employees to work at this manufacturing plant within a 50-mile radius of Princeton, Indiana because there are not enough people that live here that will work here. He stated they doubled the plant ten years after it opened and the HR Director from Toyota told him herself that they sat down with the same map and drew 100-mile circle. He said that is how far they were going to have to recruit from because there is no place for people to live closer to us to make the work force we need to work in this factory.

Amanda Mosiman stated they need 500 more people by the end of the year.

Attorney Doll stated they are living here and they are living in Kentucky.

Jeff Willis stated but they are not going to qualify \$31,000...

Attorney Doll stated they might. He said when they first start out at Toyota they may but this is the ideal thing because then they can get their family together and start a savings account. He said and then they move to a Jagoe Home or then up the ladder. He stated in the beginning they don't make that much at Toyota. He said they make fourteen dollars an hour for two years.

Jordan Aigner stated he is on the School Board; he is a brand new member so he isn't going to say he knows everything, but that level, the highest level, that is your teacher. He said he wished it were better because the Lord knows we need to pay our educators a lot more but these are the people that are educating your kids, the caregivers. He stated they are in this community.

Attorney Doll stated it is your firefighters, deputy sheriffs.

Mrs. Rector stated what about the County employees. She said they would all qualify.

Jordan Aigner stated you certainly have all of these things to consider. He said he is going to try to boil it down to a few things, certainly just the overall principle. He stated do you want to call them and say keep us on the Workforce thing.

Attorney Doll stated you want Warrick County to lobby the State to keep Warrick County on the Workforce list. He said that is the Commissioners decision.

Jordan Aigner stated that is something to consider. He asked do you want to approve something like this. He said they are not asking by any means today or we don't know when, but there is a deadline. He stated if we back this out for us, if we get the QAP (Qualified Allocation Plan) and we know exactly what it says and say this cuts it. He asked at what point do you need to have that done for these Boards if they so choose.

Josh Reed stated before July 29, 2019 should we compete in the earliest possible round. He said this new plan will be good for this year and next year, so if it were approved prior to July 29th then it would be good for both rounds. He said he realizes that isn't much time.

Mrs. Rector stated just say that you wanted to go to the April meeting, the Planning Commission for a hearing, we would have to have that in the paper on March 21, 2019 of course we are going to have to have it done before then. She stated it would go to the Planning Commission hearing on the eighth and then the Commissioners on May 13, 2019 unless you ask for it to waive the procedures and go in two weeks after our meeting. She said it is going to take two months.

Commissioner Johnson stated his concern with the whole thing is trying to understand what the qualifications would be to live in one of these homes as for instance what Commissioner Saylor said; he has a person coming out of college strapped with debt looking for a position. He said he left a company in December of last year where he would bring in people for \$20-\$22-\$25 an hour, they would work for two weeks, good clean work, air conditioned, and clean atmosphere and they would work for two weeks and leave. He stated they don't want to work so what concerns him is sometimes the only initiative to work and make a living is so you can live and live in a place where

you want to live, a nice affordable apartment or home. He said this generation to him is quite honestly does not have that desire. He stated he isn't saying all of them but tends to be a trend right now. He said they have expectations, they have zero work ethic, and they want everything given to them. He stated he didn't want to enable that, he doesn't want to be an enabler to that type of situation. He said he wants people to be proud and feel proud about what they do for a living and going out and buying a home. He said he understands this might be a start to get on your feet to where you can get out and get that home.

Mike Winge stated like a stepping-stone.

Amanda Mosiman stated if you use your same argument that generation and the perceptions that you are applying to that generation they don't want to own a home. She said that is also the trend, they don't want to own a home.

Mike Winge stated that is because of all of the rules and regulations that the Gestapo have on the country a lot of people don't want to mess with that.

Attorney Doll asked what the national advertisement was right now that is on, he thinks it is Allstate. He said we are going to live in eleven homes in our lifetime.

Several people agreed.

Attorney Doll stated he wasn't but I guess if you count college probably yes.

Amanda Mosiman stated she is 35 and she has lived in eleven homes.

Attorney Doll stated they said that is the typical number of homes people are going to live in in the United States now.

Commissioner Johnson stated but you worked and you want to work because you love your job.

Amanda Mosiman stated she lived 3-1/2 hours apart from her husband. She said they turned down a great job for my husband in Posey County because we couldn't move there. She stated she was lucky enough that she was moved home, yeah but it was a heck of a job to get here.

Commissioner Johnson stated he has been in those conditions too himself.

Terry Dayvolt stated he had been the rental game for how long, years and years. He stated the last rentals he has owned for 25 years. He stated to answer your question Bob if a person comes into him and he has had in the last six months, people working at Toyota, work one month and quit. He asked you know what happens there Bob. He said they don't pay me to rent they go out on the street because there is somebody that will work and pay him rent.

Amanda Mosiman stated and that is right because to qualify for these they have to have a job, because they base it off their income.

Greg Majewski stated they have to have the means to pay rent.

Amanda Mosiman stated if they don't have the means to pay rent they are out.

Commissioner Johnson stated that was the whole purpose of his question was he wants to understand what the qualifications are to live in one of your facilities would be.

Greg Majewski stated you have to be at or below the upper income limit, you have the ability to pay three times the rent rate, you have to pass criminal history, landlord reference, utility payment, and all sorts of background checks. He said essentially it really isn't any different than a regular apartment when you get away from the income restrictions.

Mrs. Rector stated if you would quit your job and you can't pay your rent then you are gone, you would be evicted.

Greg Majewski stated pretty much. He said if you don't pay your rent you are out.

Commissioner Johnson stated so I quit my job and go on unemployment is that a trigger object for you guys.

Greg Majewski stated if you are able to pay the established rent rate so you are not paying more than a third of your income you could stay. He said they do not obligate people to have employment wages.

Mrs. Rector stated but they are still paying the same amount.

Greg Majewski replied yes, their rent doesn't change.

Mrs. Rector stated if won't go down just because they are unemployment, it will stay the same.

Greg Majewski replied yes.

Commissioner Johnson stated so you live on unemployment instead of working.

Attorney Doll stated for a limited period of time.

Greg Majewski responded if you are in one of the higher apartments....

Mike Winge stated this has nothing to do with your development though.

Mrs. Rector replied no.

Jeff Valiant stated but that has nothing to do with these developments.

Commissioner Johnson stated he is just trying to get his head wrapped around it.

Mrs. Rector stated she wasn't being funny a while ago, she means, she has an employee that could move in there that makes less just one person. She said she knows women who work for this County that has two kids and works for this County every day and could qualify to take two kids in here for the little amount of money that the County pays. She stated she wasn't being funny that County employees qualify for this because they do.

Attorney Doll stated so would Deputy Sheriffs at first hire, so would firefighters at first hire, so would EMT's, so would school teachers and nurses.

Guy Gentry stated so would teachers' aides, school bus drivers.

Commissioner Saylor asked in your units it looks like you have about 670 units in Fort Wayne, the ones you manage if you get a situation where law enforcement is called and they are suspecting drug dealing or drug activity, how do you handle that in your units now.

Greg Majewski stated they are out. He said we have zero tolerance for those types of things.

Commissioner Johnson asked how they approve it.

Greg Majewski asked how do we prove it?

Commissioner Johnson stated yes, if they get busted for it sure but if it is happening and they aren't getting arrested for it, you don't have the authority to say...

Greg Majewski stated they have tenant associations at almost all of our properties say Mrs. Jones is living quietly over here will not tolerate it and will go to the manager, if the manager is not aware. He stated our maintenance techs are in the units at least an absolute minimum of twice annually to change filters and they do train them to look for possible violations and things like that. He stated they do have it is your apartment and you can do what you want in it but they do know what is going on.

Jeff Willis stated if we set it up generally then any company can come in and do this.

Attorney Doll replied sure.

Jordan Aigner stated your risk here is if we don't do this then companies like Keller don't come and you prevent let's say bad developers. He said he thinks Keller is a great company, which is why he chose to work with them; they are family just like Dan said they are family. He stated there are others that maybe aren't like that. He said there is your risk; if you want, the bad ones out you keep the good ones out also.

Commissioner Saylor stated that was his main point about the New York guy. He said he imagined he found out about Warrick County, Indiana by demographic searches.

Attorney Doll stated he found out from Burger King.

Commissioner Saylor asked he did.

Attorney Doll stated sure he did, Burger King needs to sell that property it is on their books. He said the company that owns Burger King in Warrick County is from Connecticut, we dealt with them in the Zoning hearings.

Commissioner Saylor stated they needed adjacent land to do their development. He said that was his thing, here is a company that is just calling and they might have been part of this program he didn't know, but that was his point. He stated this guy was calling from New York, do you guys support this.

Attorney Doll said he would ask a procedure question and then he was done. He asked if they are asking Warrick County if they are so inclined to start the process to add the language to the Comprehensive Plan now or are you asking us to wait until you hear from the State of Indiana in March.

Jordan Aigner said he thought it was prudent to wait.

Greg Majewski stated at this point they are probably three weeks or so from knowing for sure what the plan will hold and at that point in time, they will know what exactly it is...

Attorney Doll stated whether this language is the right language or the wrong language.

Greg Majewski stated or is a 15-year old plan regardless of how recently it has been updated will work or not.

Attorney Doll stated it might be that we don't qualify because our plan is too old.

Greg Majewski replied right, at which point you will probably hear from us again to ask you to consider addressing that.

Jordan Aigner stated that is why it is a good thing to be having this conversation now so in the meantime be considering the scenarios of if we do want to do this then we may have a couple of things we have to do.

Mrs. Rector stated she could type up an amendment and stick this in there. She said if you are talking about amending the whole Comprehensive Plan it takes engineers...

Jordan Aigner stated Sherri he isn't even sure, they were having lunch today and he joked what does it take a new cover page; he didn't know, what does a new plan mean.

Mrs. Rector stated the last time they revised it was just for Ohio Township and our transportation plan and all of that.

Jordan Aigner stated it probably does need to be.

Mrs. Rector said yes, but she would have to go to the Council because the last time it was like \$10,000 or \$5,000.

Jordan Aigner stated he wasn't asking her to do that he didn't want to see the County bear the burden for any of this. He said here is where they are.

Mrs. Rector stated she agreed it probably does need to be looked at but we did do the Ohio Township, Campbell, and Elberfeld.

Jordan Aigner asked if there was a question in the back.

Doris Horn stated she was from Lynnville and Toyota is always calling to see if there are people, property, or anything to rent around there. She said she agrees with them on the maintenance because they had a big problem in Lynnville around the old school we had drug dealers come in and people, she's sorry but they were from Evansville and were lower income because they got kicked out. She said they have new management and that is what it took was a good management that does not tolerate what you are saying. She said kick them out if they don't pay or get in trouble with the law. She stated she likes these packets, she wouldn't mind having some from Lynnville. She stated the only thing she didn't like was they are saying that this is a Workforce County but you better be bringing people that is following you to build these buildings. She said look what happened to Costco because they did not use local workers and that would be taking money away from people who could build these buildings if you bring in some of your workers that follow you. She stated that is the only thing she has a concern with.

Greg Majewski stated he wants to be transparent and say that they will self-perform trades and they will have preferred contractors to do some of the sub work but we will use local workers to do some of the work. He said he is not saying they will only use their own preselected people but he does want to be transparent and tell you that is what they do.

Mike Winge asked if he had an idea of the percentage of local workers.

Greg Majewski stated he did not know. He said he could ask their VP of construction and he could give us a number if we would like.

Mike Winge stated he would be curious to know if you have all of your own set contractor crews that follow you around on the majority of it or the minimum amount.

Mrs. Rector stated she could tell you these major apartment complexes have went up have had their own people they bring in. She said all of these medical facilities they have their own contractors that come in. She stated they come in and rent houses for two or three years and they use local but they bring in certain trades.

Mike Winge stated a lot of them don't get enough Sherri, as a Building Inspector for years and he worked at a lot of them.

Mrs. Rector stated yes, and when they come in and get the permits, they tell me where they are going to live, whom they are, and what they are doing.

Greg Majewski stated he doesn't know if this helps but as an example for the development that they built in the metro Indianapolis area, they used a Warrick County contractor so it goes both ways. He said it is project by project and he doesn't know but he is happy to get our email address and tell you.

Jordan Aigner stated they bid that work too, because they had to make sure that they were competitive in order to do that work.

Jeff Willis stated what you are saying is it could be somebody from Warrick County anyway.

Greg Majewski stated they do have guys that live...

Mrs. Rector stated so we can get through this...you are going to get with us whenever you hear back.

Greg Majewski replied yes.

Mrs. Rector stated maybe within the next three weeks. She said then at that time you are going to send us the information where this is what you have and this is what you would like us to do.

Jordan Aigner stated the only thing he would ask is in fact you can get some kind of consensus that your Board's, plural, are not going to want to go down something like this route then they can't afford and he needs to move on to another County. He stated we would probably talk about it.

Mrs. Rector stated to be honest the Board of Zoning Appeals will have nothing to do with it. She said it is just the Planning Commission Board and the County Commissioners on approving this.

Jordan Aigner stated he wants to be... he brought him down because it is his own county. He said he doesn't want to spend a whole lot of his time if they decide not to. He said it is what it is.

Mrs. Rector asked Morrie should they get a consensus today or at the next Planning Commission meeting or wait to see what they let us know.

Jordan Aigner stated not today. He said he didn't want it today by suggesting that. He said in the meantime so you don't spend a lot of time preparing.

Mrs. Rector stated their next meeting is March 11, 2019.

Attorney Doll stated if you are going to advertise it for the April meeting you have a really short window.

Mrs. Rector stated the ad goes in on the 21st.

Jeff Valiant asked do I have a motion to adjourn?

Commissioner Johnson made a motion to adjourn. The motion was seconded by Jeff Willis and unanimously carried. Meeting adjourned at 2:59 p.m.

ATTEST:

Sherri Rector, Executive Director

Jeff Valiant, Vice-President